CLASSIFICATION AND COMPENSATION PLAN

CITY OF LACONIA

Amended effective:

7/06/74
7/01/81
6/30/86
7/01/87
8/30/87
7/01/89
7/01/97
7/01/05
7/01/07

CITY OF LACONIA
CLASSIFICATION AND COMPENSATION PLAN

CHAPTER 1

1.1 Authority

These two plans have been established in compliance with Article VI, Section 6:02 of the "Revised Charter of the City of Laconia, 1970".

1.2 Applicability

The Classification Plan and Compensation Plan, including future amendments, shall apply to all persons employed by the City of Laconia except the following: The School Department, Laconia Water Works, the Police Department, the City Manager, elected officials and members of boards, commissions, committees and others appointed by the Mayor and Council. The provisions of both plans shall apply to members of union agreements unless otherwise provided by collective agreement or Federal or State statute.

1.3 Responsibility for Administration of Both Plans

The Personnel Specialist shall be responsible for the maintenance of the Classification and Compensation Plans, including new or changed positions, the determination and recommendation of proper compensation rates, recommending changes to fringe benefits and policies contained herein, all based upon a consideration of prevailing policies and rates of pay provided comparable occupations outside the City Service.

1.4 Amendments

The City Council may amend, waive or suspend any provision of these plans upon recommendation of the City Manager or Personnel Advisory Board.

All recommendations shall be made to the City Council by separate written request specifying the positions of all employees to be affected by any requested amendment, waiver or suspension together with specific reference to the section or sections of the Plan to be amended, waived or suspended.

1.5 Effective Date

The plans shall become effective July 1, 1973, after submission by the City Manager to the Council unless vetoed by the council.

CHAPTER 2

Classification Plan

2.1 Explanation of the Nature of the Plan.

(a) The Classification Plan is the basic foundation to assist in the elimination of misunderstandings, discrimination, and inequity regarding pay, fringe benefits and varied personnel matters.

(b) A position Classification Plan is a complete survey of each position and a careful evaluation of the value of each position. It involves defining the different kinds of positions in the City's services and analyzing the essential functions of each position on an objective and impersonal basis. A Job Description is written for each position of identical or very similar work. The Job Description is a reasonably detailed portrayal of the nature of the position, its duties and responsibilities, its scope and complexity, the degrees of knowledge, skills and abilities required, the amount of supervision over other employees, the conditions of work (such as exposure to disagreeable elements, physical effort, risk of injury) and indicates the minimum desired qualifications for successful performance of the job.

(c) Job Descriptions provide an impartial approach toward ascertaining the relative value of positions to each other and to the City. They help to avoid a personalized departmental treatment of work and pay problems; serve as a safeguard against favoritism and prejudices; and provide a rational and equitable basis for establishing and adjusting pay scales.

(d) The contents of Job Descriptions are indicative and not restrictive. It may not be necessary that an employee perform all the tasks listed, nor is the list complete in that it covers all the duties an incumbent may be required to perform. Department heads and supervisors may direct minor and reasonable deviations.

(e) With respect to Minimum Desired Qualifications, the incumbent may be more or less qualified in some aspects than stated in the Job Description. The purpose of the section is to serve as a basis for future recruiting, competitive and promotional examinations and interviews. Applicants who lack a desired qualification are not necessarily excluded. Flexibility in hiring is provided by the phrase "or any equivalent combination of experience and training which provides the required knowledges, skills, and abilities". Thus, applicants with less formal education than desired are not excluded from consideration; nor are others with less experience than desired.

2.2 Uses of the Classification Plan

(a) The plan is the foundation upon which all major phases of a personnel plan are constructed. It disregards personalities, race, sexual orientation, sex, ethnic origin, religion, age, physical or mental disability, marital status, political affiliation and other unsupportable differentials. The plan, by means of its analysis of the division of work and responsibility can and should be used to advantage as follows:

(l) Provide the basis for an equitable pay plan and standardized policies regarding entitlement to fringe benefits.

(2) Enable employees, particularly new employees, to get a better concept of their work assignments and a better concept of the activities of their department, other departments, and the city service as a whole.

(3) Enable City officials and the public to gain a greater knowledge and appreciation of work performed by individuals, departments and the City as a whole.

(4) Aid the City Manager and department heads in perfecting or revising their organizational structure, clarifying lines of authority and fixing responsibility.

(5) Aid in judging the needs of additional positions or consolidating positions and using employees to maximum advantage.

(6) Facilitate budgeting.

(7) Provide a means whereby employees may find incentive to improve their status by more intensive and effective application of their work and by undertaking training for promotion to higher skilled positions.

(8) Facilitate a review and control of operations.

(9) Form the basis for objective recruiting for, and promotion to a vacant position.

CHAPTER 3

Employment

3.1 The responsibility for recruitment, including advertising, internal posting, screening, reference checking and testing candidates for a vacancy shall rest with the Personnel Specialist. When a vacancy exists, the department head shall notify the Personnel Specialist who will collect and log all applications and resumes received. Applications and resumes will be reviewed and scored by the department head and Personnel Specialist according to criteria pertinent to the job. Applicants with the highest scores will be interviewed. The Personnel Specialist may issue a test if requested by the department head. The department head and Personnel Specialist will determine the structure of the interview. Department heads and the Personnel Specialist shall assure that current City employees are evaluated for promotional consideration in accordance with the City's promotion-from-within policy.

3.2 The City of Laconia is an equal opportunity employer. The Personnel Specialist shall serve as the City's Equal Employment Opportunity Officer and accordingly, shall assure compliance with all State and Federal statutes.

3.3 Evidence of satisfactory health, if required for the position involved, shall be a condition of employment. When appropriate the Personnel Specialist will arrange for physical examination at City expense.

3.4 The Personnel Specialist shall orient all newly hired employees, except seasonal & temporary, as to the principal contents of the Classification and Compensation Plans and the Personnel Rules and Regulations, all City policies, and State and Federal regulations applicable to the new employee. Departments will orient seasonal & temporary–employees. Department heads will fully orient their new employees regarding all aspects of the employee's work, hours, conduct, departmental positions and other matters not covered by the Personnel Specialist.

CHAPTER 4

Employee Status

4.1 Probationary Employees

(a) Persons not covered by a collective bargaining agreement, who are hired or promoted, to fill regular full-time or regular part-time job vacancies shall be considered probationary and shall be required to successfully complete a probationary period of six months. At any time during the probationary period, the employee may be terminated if the department head finds that the employee is unable or unwilling to satisfactorily perform the duties of the position or if the habits and dependability of the employee do not merit continuance in the employment of the City. In case of promotion, the employee shall be reverted to his/her previous lower position with the rate of pay to which he/she would have been entitled had he/she continued to serve in such lower position without promotion.

(b) During the probationary period, employees shall be entitled to receive all the types of fringe benefits to which regular employees are entitled (subject to health insurance contract limitations).

(c) Upon satisfactory completion of the probationary period, the employee will become a regular employee of the City.

4.2 Regular Full-Time Employees

Regular full-time employees are those who have satisfactorily completed their probationary period and whose basic work week is 35 hours or more throughout the entire year. These employees are eligible for all benefits offered by the City.

4.3 Regular Part-Time Employees

Regular part-time employees are those employees who have satisfactorily completed their probationary period and whose basic or normal work week is at least 20 hours and less than 35 hours throughout the entire year. (Employees whose normal work week is less than 20 hours shall be paid at an hourly rate and without any benefits offered by the City).

Benefit Package

Hours per week	0-19	20-29	30-35	Years 10-19	Years 20 & over
Sick leave	-0-	3 1/2 hrs./mo.	1 day/mo.		
Vacation leave	-0-	3 3/4 hrs./mo.	.834 days/mo.	1.25	1.67
Health Ins.	-0-	-0-	full benefit		
Holiday Pay	-0-	rated benefit	full benefit		
Death in Family, etc.	-0-	rated benefit	full benefit		
Retirement	-0-	-0-	35 hrs. only		
Longevity	-0-	-0-	35 hrs. only		

4.4 Employee Contribution to Health Insurance

Effective June 30, 2014 the HMO High $10 $500 (LWF) will no longer be available. Employees participating in the HMO Low $20 $2000 (1mF) plan will contribute a percentage of the total premium for a one person, two person or family plan as follows:

- Beginning July 1, 2014 – eight percent (8.0%)
- Beginning July 1, 2015 – nine percent (9.0%)
- Beginning July 1, 2016 – ten percent (10.0%).

One July 1, 2014, July 1, 2015 and July 1, 2016 the City will contribute $1,000 to the Health Reimbursement Account (HRA) of each employee enrolled in the HMO Low plan for reimbursement towards the deductible. The unused funds may be rolled over to subsequent years.

On July 1, 2014, July 1, 2015 and July 1, 2016, the City will pay each employee enrolled in the HMO Low plan a wage supplement in the amount of $250.

The City will make any and all changes it deems necessary in its sole discretion to insure the insurance it provides complies with the Affordable Care Act, and other state, federal or local insurance and/or health care reform legislation, to avoid being subject to fees (including, but not limited to the City shared responsibility assessable payment) fines, taxes or penalties, including but not limited to, taxes/fees because employees are eligible to obtain subsidized or discounted insurance through an insurance exchange; or to avoid the coverage being subject to the "Cadillac" taxes (a.k.a. the excise tax on high cost employers sponsored health coverage). The City will provide notice to employees of any such changes.

4.5 Temporary or Seasonal Employees

Persons employed by the City for special projects, to temporarily fill vacancies, or similar situations on an irregular basis, including employment during the summer months only or the winter months only, are considered temporary or seasonal employees. These persons will be paid at an hourly rate and shall not be eligible for any benefits except as provided by Federal or State statutes such as Worker's Compensation. They shall receive the minimum rate of pay for their assigned grade unless written approval is obtained from the Personnel Specialist.

4.6 Exempt Employees

Executive, professional and administrative employees whose duties generally conform to the definitions specified in the Fair Labor Standards Act are considered exempt employees who shall be exempt from the overtime pay provisions set forth in this plan. The City complies with all federal and state laws with regard to deductions from paychecks, including deductions from the salaries of exempt employees. The City prohibits deductions from salaries that are inconsistent with the status of an exempt employee.

4.7 Non-Exempt Employees

Certain positions are classified by the City as non-exempt in accordance with the terms of the Fair Labor Standards Act. Employees so classified shall be entitled to the overtime pay provisions set forth in this plan.

4.8 Payroll Deductions

The City is required by law to make certain deductions from each employee's paycheck, including federal income taxes, social security, and the NHRS. The City may make additional deductions for insurance and other purposes to benefit the employee.

The City will withhold only for items allowed by New Hampshire law:

- For payroll taxes, or as otherwise required by statute;
- When the deduction is authorized in writing by the employee for:

  *Installment payments of legitimate loans made by the employer to the employee;
  *Voluntary payments for the recovery of tuition for non-required costs paid by the employer for the employee to an educational institution;
  *Voluntary payments for the recovery of accidental overpayment of wages;
  *Union dues;
  *Health, welfare pension and apprenticeship fund contributions;

*Strictly voluntary contribution to charities;
*Contributions to a political action committee;
*Housing and utilities;
*Payments into savings funds held by someone other than the employer;
*Voluntary rental fees for non-required clothing;
*Voluntary cleaning of uniforms and non-required clothing;
*For the employee's use of a demonstration vehicle;
*Voluntary contribution into cafeteria plans or flexible benefits plans, or both, as authorized by section 125 or section 132 of the Internal Revenue Code; and/or
*Voluntary payments by the employee for the following:
(a) child care fees by a licensed child-care provider;
(b) parking fees; and/or

For medical, surgical, hospital and other group insurance benefits having no financial advantage for the employer, when the employee has given his/her written authorization and deductions are duly recorded;

For required clothing not covered by the NH Department of Labor's definition of "uniforms;" and
From final wages at the termination of employment, for any amount the employee may owe for voluntary payments for vacation pay, paid time-off pay, earned time pay, personal time pay, annual pay, sick pay, sick dependent pay, and bereavement pay made pursuant to a written employment policy as required by RSA 275:49, III, when the payments have been requested and paid to the employee in advance of eligibility and when the employee has given his/her written authorization.

4.9 Questions Regarding Paychecks and Deductions

Any questions or concerns about paychecks or deductions from pay should be directed to the Payroll Supervisor or the Personnel Specialist. Questions and concerns will be investigated and addressed promptly. If there has been an error, a corrected check will be issued.

4.10 Health Insurance Buy-Out

Effective 11/14/11 - This program is provided to employees who are eligible for the City of Laconia's group health insurance and elect not to enroll in the City's plan for the fiscal year (July 1 through June 30). This program will not apply to employees whose spouse is employed by the City of Laconia, including the School Department or Water Works.

Upon proof of other health insurance coverage sponsored through another employer, effective July 1, 2014 the City will pay the employee a payment of fifty percent (50%) of the City cost for a one person HMO Low plan, to be paid in quarterly installments at the end of each fiscal quarter. These payments will be subject to Federal taxes. For those individuals who opt out of the City's plan during the fiscal year, that year's quarterly payments will be pro-rated.

If a qualifying event occurs where the employee is no longer eligible for coverage on the non-City plan, he/she must notify the City's Personnel Specialist in writing within thirty (30) days of this event, at which time the lump sum payment will terminate.

CHAPTER 5

5.1 Compensation Plan

(a) Foreword

(l) In general, a municipal pay plan has essentially three groups which it must seek to satisfy. For taxpayers, the pay plan should serve to attract employees who can provide the required scope and level of service at reasonable cost when compared to similar service in other municipalities while not causing the City to compete unfairly with local tax-paying employers. For employees, the plan should strive to optimize fairness to all by providing similar pay for similar work and by fairly relating the pay of different positions to a position. For management, the pay plan should assist in recruiting and retaining employees who are acceptable to management and the plan should be a logical and useable tool for management in resolving problems of employee pay and related benefits.

(2) Inequitable compensation may lead to discontent, or result in less than desired effectiveness by current employees, or force the City to hire personnel with qualifications less than those desired or result in frequent turnover of personnel.

(3) Wage rates too high impose a hardship on taxpayers and provoke other employers in the area. Wage rates too low encourage City employees to obtain work elsewhere. Personnel changes require the expenses of recruiting, training and unnecessary administrative costs.

(4) A compensation plan which is equitable and fairly and uniformly administered serves the interest of the public, the City and the city employees. Its development and administration are dependent on position classification.

(b) Determining a Fair and Just Rate of Pay for a Position

Pay rates for City of Laconia employees should be based on the factually determined relative value of all positions in the city government and on an appropriate relationship to the rates paid by competitive employers in this locality and by other municipal governments in this area. In sum, the "pay" of City employees should be generally comparable to, and competitive with, the "pay" of other employees in the general area, such as Federal, State, County, private and other municipalities.

(c) Complexities in Determining Fair Rates of Pay

Although reasonably simple in concept, its execution is extremely complex and difficult. The varying combinations of the following four principal elements contribute to complexity.

(l) First, the job descriptions and actual work of any City employee is never identical in all respects to any other job, whether it be Federal, State, County, private, municipal or other. Similarities often exist, but two jobs under different employers are never identical in all respects.

(2) Secondly, neither the fringe benefits, policies, nor rules and regulations governing City of Laconia employees are identical in all respects to those of non-city employees, both local and regional. Types of fringe benefits offered are different as are the percentages of cost paid by the employer and employee. Varying degrees of job security must be considered. Opportunities for promotion vary. Amounts of vacation, sick leave, insurances, retirement and so forth paid for entirely or in part by an employer are often not thought of by an employee as part of his or her "pay". From an employer's point of view, the cost to the employer for every fringe benefit paid for each employee is a very real cost and much larger than generally realized. The cost of fringe benefits to employers may vary between 80 and 100 percent over and above the gross wage of an employee. Hence there exists a great disparity from one employer to another in the value of fringe benefits provided to employees.

(3) Thirdly, pay rates should consider any special allowances paid to certain employees and not paid to others. For example: allowances for clothing, mileage, education and training allowances, dues subscriptions and other special or unusual allowances or benefits.

(4) Fourthly, different employers in the same area pay different rates. Historically, prevailing wage rates often have been considerably higher and lower in some communities than in others. Often they go up or down with the overall economic conditions of a community.

In summary, the rates of pay of two truck drivers working for different employers are probably different. The jobs are unlike in some respects, the value of the fringe benefits is different and there are variables in other considerations.

5.2 Installation of the Compensation Plan as Applicable to New Employees

(a) Generally, a new employee shall be paid the minimum rate of pay for the position. Exceptions may be granted upon the written prior approval of the Personnel Specialist and the City Manager in the following cases:

(l) If it becomes necessary to appoint a new employee of lesser desired qualifications listed in the Job Description, he or she should be started below the minimum pay prescribed in the pay plan. (The minimum rate for each position is based upon the assumption that a new employee meets the overall minimum desired qualifications.)

(2) If a new employee exceeds the minimum desired qualifications and will not accept

appointment at the minimum rate, he or she may be appointed at a rate higher than the minimum for the grade range. (This practice should be used only with written documentation. Every effort should be made to recruit a qualified employee who will accept appointment at the minimum rate for that position).

(3) It may be necessary in a few instances to recruit and hire employees at a pay rate higher than the minimum rate prescribed in the compensation plan. Such may arise from temporary shortages of personnel in certain fields or when employees are clearly more qualified.

5.3 Installation of the Compensation Plan as Applicable to Present Employees

(a) It is recommended that the plan be applied to persons now employed by the City as follows:

(l) An employee whose present pay is below the minimum rate listed in this plan should be raised to the minimum rate.

(2) An employee whose pay falls between the steps of pay listed in this plan should be raised to the step immediately above his/her present pay.

(3) An employee whose present pay is above the maximum listed in this plan should retain his or her present pay but should not be entitled to other than longevity or City-wide increases if the plan is not revised upward at a later date to permit an increase.

5.4 Promotions

When an employee is promoted to a higher position his or her pay shall be the minimum rate for the higher position. In the case of overlapping ranges, the pay rate of the promoted employee shall be increased to reflect at least a 3% increase above the employee's highest paid salary.

5.5 Demotion

When an employee is demoted to a lower position, his or her pay shall be within the pay range of the lower position. The exact rate shall be set by the Personnel Specialist.

5.6 Reallocation Downward

When an employee's position is reallocated or changed to a lower position, the employee normally shall be permitted to continue his or her rate of pay during incumbency, but shall not be entitled to general pay increases.

5.7 Advances Within a Pay Range

a) Probationary Upon successful completion of the probationary period for newly hired employees, the employee will be evaluated and receive an increase based on the performance evaluation in accordance with the guidelines below. Thereafter, pay increases may be granted as stated in next paragraph.

b) Regular Employees will become eligible for a rate increase following an annual performance evaluation on the review date. The amount of the increase will be determined by the results of the performance evaluation and the performance pay ranges approved annually by the Council.

c) Effective July 1, 1997 the step compensation plan will be replaced with a performance pay plan. Employees covered by this plan will be eligible for up to a 5.0% salary increase following a performance evaluation on their review date.

Performance Rating	Performance Pay Percentage*
Consistently exceeds expectation	4 – 5%**
Exceeds most expectations	3 – 4%
Meets expectations	1 – 3%
Meets some expectations	Delay salary review 3 – 12 months
Does not meet expectations	Delay salary review 3 – 12 months, with written Performance Improvement Plan

*Salary increases cannot exceed the salary range maximum
**Requires City Manager approval
An employee at the top of the range is eligible to receive a lump sum increase. No adjustment will be made to the base.

5.8 Starting Rate on Return to Duty

When an employee returns to work in the same position after an authorized leave of absence or separation not due to discreditable circumstances, he or she shall receive pay at the same salary as when separation began and shall subsequently serve in that salary for at least the period normally required.

5.9 Starting Rate on Return from Military Service

The City shall comply with the current employer obligations under the Uniformed Services and Reemployment Right Act issued by the US Department of Labor. See Rules and Regulations for additional information regarding pay and benefits.

5.10 Starting Rate of a City Employee in a New Position

When a City employee is transferred or assigned to a position not previously held by him/her and

such change is not a promotion or demotion, he/she shall receive the entrance rate for that position or such salary within the pay range as he/she may be entitled by reason of prior City service which meets the following conditions: The nature of the new duties are similar to the former duties; and the length of time in the former position provided valuable experience for the new position. If desired that the employee begin at higher pay than the entrance level written approval must be secured from the Personnel Specialist.

5.11 Executive and Professional Personnel

Those executives and professional personnel who have responsibility for the administration of a department or agency (see salary list) are judged primarily upon the accomplishments of their department or agency, and not primarily on hours of work. They will be evaluated on individual performance by the City Manager.

5.12 Special Pay Increases, Decreases in Pay, and Criteria for Evaluating Employees

(a) Although the compensation plan is designed to achieve greater control and uniformity, the plan is not intended to remain fixed and rigid so that outstanding individual achievement is not recognized and rewarded while less effective employees are benefited.

(b) Pay increases may be granted to individual employees at intervals more often than the incremental increases prescribed in the compensation plan, provided, however, the maximum base for the position is not exceeded. Increases shall be based upon exceptionally favorable performance of duties far exceeding the normal standards for the position concerned. Recommendations with justification shall be submitted in writing to the Personnel Specialist for review and comment to the City Manager.

(c) Decreases in pay may be warranted based on effectiveness reports, tardiness, unauthorized absences and other matters which are below prescribed standards.

(d) Criteria for evaluating employees shall include, where appropriate, the following:

(1) Demonstrated abilities, manner of performance, accomplishments and contributions.

(2) Relationships amongst City employees and with the public.

(3) Suggestions for improved work methods and financial savings to the City.

(4) Employees morale, employee turnover, fiscal responsibility, cooperation, initiative and compliance with policies and regulations.

(5) Goals accomplished, work output and level of responsibility assumed.

(e) Department heads may submit to the Personnel Specialist their recommendations for increased or decreased rates of pay. Increases in pay shall normally be effective on the anniversary date at twelve month intervals after completion of the probationary period unless circumstances warrant a different date. All such increases/decreases must conform to the grades and ranges included in these plans.

5.13 Periodic Review of Compensation Plan

A pay plan obviously should not be fixed for an indefinite period of time. The compensation plan should be reviewed periodically and adjustments made. Wage rates in business and other governments in the area change, as do living costs. A comprehensive study is to be made at least every two years by the Personnel Specialist in order to ensure that wages are up-to-date.

5.14 Interpretations to the Compensation Plan

The City Manager shall be responsible for interpreting the application of the pay plan to pay problems not specifically covered in the compensation plan. Questions pertaining to interpretations and matters not covered in this plan shall be submitted to the Personnel Specialist who shall resolve the matter or submit his/her recommendations to the City Manger for approval.

5.15 Employee Requests for Classification and Pay Adjustments.

Any employee shall have the right to the consideration of any request he or she may have with respect to the application of the Classification and Compensation Plans to his or her position. The employee shall initially make his/her request to the department or office head who shall promptly seek to arrive at a solution which is consistent with these plans and acceptable to the employee. If unresolved, the department head or employee shall submit the matter to the Personnel Specialist for a solution which is consistent with the plans. The Department Head shall submit his/her request in writing to the Personnel Specialist stating the reasons for the reclassification request, and complete a Job Analysis if requested by the Personnel Specialist. The Personnel Specialist will score the Job Analysis to determine the appropriate grade, and make a recommendation to the City Manager.

5.16 Longevity Bonus

Longevity bonuses as specified in the Personnel Rules and Regulations shall be payable in addition to the pay rates contained in the Compensation plan.

5.17 Work Schedules

Daily and weekly work schedules and shift assignments are based on the operating requirements of the City and are subject to change. The City shall have the exclusive right to make changes and shall make every reasonable effort to notify employees in advance when possible. The work week shall consist of seven consecutive days commencing on Monday.

5.18 Overtime

Reasonable overtime work requirements may, from time to time, be required of an employee.

The City will, to the extent practicable, distribute overtime work equitably among the qualified employees in a department or division of a department.

In emergencies, a department head may prescribe reasonable periods of overtime work to meet operational needs. Records of overtime shall be maintained by each department.

5.19 Overtime Pay

(a) Exempt employees are not entitled to pay for overtime work, except where governed by a Collective Bargaining Agreement.

(b) Nonexempt employees. There shall be no pay for any overtime work which has not received the prior approval of the department head. Nonexempt employees shall be paid time and one-half for authorized time worked in accordance with the following:

(1) Hours worked in excess of forty (40) in any one week (except shift personnel such as the Fire Department).

(2) Hours worked in excess of eight (8) in any one day (except shift personnel such as the Fire Department).

(3) Hours worked on a paid holiday in addition to holiday pay, except when such hours are part of an employee's normal schedule. (See Paid Holiday Policy, Paragraph 5.20)

(c) Regular employees who are classified as nonexempt shall not receive compensatory time or be allowed to bank compensatory time but will be compensated for authorized time worked in excess of their work schedule, as follows:

(1) Pay at the employee's straight time rate will be paid for any time worked in excess of their regular work schedule up to forty (40) hours per week.

(2) Hours worked in excess of 40 hours a week shall be paid at the rate of time and one-half.

(3) Hours worked in excess of eight (8) hours in one day shall be paid at the rate of time and one-half.

5.20 Paid Holiday Policy

The official holidays of city employees shall be the same as those established by law for the

State of New Hampshire unless otherwise provided by collective agreements. Until changed by State law, the following shall be observed as holidays:

New Year's Day	Columbus Day
Civil Right's Day	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

Personnel whose religious faith warrants a day of absence during other than the above holidays should be given the day off if requested. However, such day off may be given under only one of the following conditions: Day off without pay; day off with pay but charged to vacation or personal leave.

5.21 Compensation for Absence on Holidays

All employees of the City, except temporary, seasonal and those whose work schedule is less than 20 hours per week, shall receive their regular compensation for the aforementioned holidays and for other days proclaimed as a holiday by the Mayor and Council during which the public offices of the City are closed. Any employee shall forfeit his/her right to payment for any holiday if he/she has an unexcused absence on the last regular work day preceding such holiday or on the next regular work day following such holiday.

5.22 Compensation for Work Performed on Holidays

(a) All employees of the City, except temporary, seasonal and those whose work schedule is less than 20 hours per week, who are required to work on a holiday shall be compensated as follows:

(1) Non-exempt employees shall receive their regular pay for the holiday plus payment at time and one half their regular rate of pay for all hours worked on a holiday.

(2) If a paid legal holiday as listed herein occurs during the period of an employee's paid vacation, the holiday shall not be charged against his/her vacation leave as a day of vacation.

5.23 Computing Hours for Overtime

Hours paid for, but not worked, shall be counted in determining total hours worked for the purpose of computing overtime pay. Such "hours paid for" include Holiday and Sick leave but does not include Vacation Leave and Personal Time.

5.24 Plus Rates

Rates of pay in this plan consider that employees will work as much as 30 days per year in a position of higher difficulty and responsibility such as during the vacation, sick or other absences of

the next higher position. Therefore, plus rates for performing higher skills are not payable. If an employee is required to continuously perform the duties of a higher skill for a period exceeding 30 days, such employee shall receive an appropriate higher rate of pay subject to approval of the Personnel Specialist.

5.25 Partial Compensation Received from Other Sources.

In any case whereby a City employee is paid by any non-City agency for work performed during duty hours, the amount of such payment shall be deducted from his/her normal pay, exclusive of overtime service. The total cash compensation paid from all sources combined for any period shall equal the amount prescribed in this Compensation Plan.

5.26 Call Back Pay

A non-exempt employee who has left her/his normal place of work for his/her residence after completion of his/her scheduled working hours and is called back for emergency or overtime work, shall be paid at one and one half times his/her regular rate. He/she shall receive a minimum guaranteed payment equivalent to three hours of pay at the overtime rate of time and one half. If he/she completes the required task and returns to his residence within the three hour minimum guarantee period he/she may be called back for additional overtime work without an additional three hours minimum work guarantee. It is the purpose and intent of this section to assure an employee of at least three hours of pay at overtime rates for the inconvenience of being called back to work between the normal work shifts, but not to be separately paid for more than one call-back within the three hour minimum guarantee period.

An employee who is called in one hour or less prior to the start of his/her normal shift shall receive such time at the overtime rate, but is excluded from the three hour minimum guarantee outlined in the above paragraph.

5.27 Mileage Pay

(a) Employees are expected to occasionally perform small amounts of local travel in their private automobile. City vehicles will be used for local and non-local travel whenever feasible and in the best interest of the City. Trips will be planned, coordinated and consolidated whenever practical.

(b) Employees who choose to use their own vehicle when a City vehicle is available are normally not entitled to mileage pay for local or non-local travel. Department heads will approve instances where mileage pay is justified for any employee for local or non-local travel.

(c) Mileage reimbursement shall be at the current IRS approved reimbursement.

5.28 Salaried Personnel

The salaries and salary ranges in this plan are based upon the assumption and expectation that the job will be accomplished in a timely and efficient manner.

INDEX

Subject and Chapter	Pages
Absence on Holidays, 5.21	16
Advances within Pay Range, 5.7	11
Amendments, 1.4	1
Administration of Plans, 1.3	1
Applicability, 1.2	1
Applicability to New Employees, 5.2	9
Applicability to Present Employees, 5.3	9
Authority, 1.1	1
Benefit Package,	6
Call Back Pay, 5.26	17
Classification Plan, Ch. 2	2
Compensation Plan, Ch.5	9
Decreases in Pay, 5.12	13
Determining Rates of Pay, 5.1	9
Demotions, 5.5	11
Employee Requests for Adjustments, 5.15	14
Employee Status, Ch. 4	5
Employment, Ch. 3	4
Equal Opportunity Employer, 3.2	4
Evaluating Employees, 5.12	13
Exempt Employees, 4.5	7
Foreword, 5.1	7
Health Insurance Cost Share, 4.4	6
Health Insurance Buy-Out	8
Holiday Policy, 5.20	15
Interpretations of Compensation Plan, 5.14	14
Longevity Bonuses, 5.16	14

Mileage Pay, 5.27 17

Non-exempt Employees, 4.6 7

Orientation of New Employees, 3.4 4
Overtime Pay, 5.18, 5.19, 5.23 14

Partial Compensation from Other Sources, 5.25 17
Paycheck Questions, 4.9 8
Payroll Deductions, 4.6, 4.8, 4.9 8
Periodic Review of Compensation Plan, 5.13 14
Physical Examinations, 3.3 4
Probationary Status, 4.1 5
Promotions, 5.4 11

Reallocation Downward, 5.6 11
Regular Full Time, 4.2 5
Regular Part Time, 4.3 5

Salaried Personnel, 5.28 17
Special Merit Pay Increases, 5.12 13
Starting Rate, 5.8, 5.9, 5.10 12

Work Schedules, 5.17 14